THE *HUKOU* SYSTEM: MARKETIZATION, MIGRATION AND CITIZENSHIP IN POST-SOCIALIST CHINA

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TC 660H
Plan II Honors Program
The University of Texas at Austin

December 8th, 2016

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ABSTRACT

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When the Chinese Communist Party (CCP) achieved power in 1949, it became concerned with differentiating residential groups as a means to orchestrate state developmental priorities and to a lesser extent control population movement. In pursuit of its industrialization and developmental goals, the CCP created a rigid and impermeable barrier to rural-urban migration: the *hukou* or household registration system. Over the course of the last decade, China has been gradually relaxing the *hukou* restrictions, allowing for increased movement. In 2015, the China's State Council announced that it would grant urban *hukou'*s to 100 million permanent urban residents by 2020, as part of its 'orderly' *hukou* reform. Additionally, *hukou* administration has become increasingly decentralized and the agricultural/nonagricultural distinction in cities is being eliminated in many cities. It remains vital to the Chinese Communist Party's efforts to maintain control and remain in power in the single-party state.

The *hukou* system has been so successful that it's created a spatial hierarchy, a dual-society, split between urban and rural *hukou* holders. Rural *hukou* holders are disadvantaged by unequal access to quality education and healthcare, as well as relegated to a separate class of citizenship by their disparate rights and duties. The goods and services provided by the government to urban *hukou* holders are superior and rural *hukou* holders are unable to move to cities to access them. My paper discusses the inequality of opportunity experienced by rural *hukou* holders and concludes that the reforms that have been underway since the early 2000's do not go far enough to reduce inequality. Instead, the reforms are intended to promote urbanization as part of China's effort to shift from an industrial to a service and consumer-based economy. To this end, some new urban *hukou*'s are being issued by cities but not enough to make a significant impact. My paper concludes with several recommendations for further reforms to the *hukou* system that would help ameliorate the inequality of opportunity.

ACKNOWLEDGEMENTS

This thesis owes much to Professor Xiaobo Lu and Professor Paula Newberg for their unwavering support throughout the thesis research and writing processes. My thesis has benefitted immeasurably from their suggestions and guidance. As a result of their feedback, I feel that I have grown tremendously as a writer and a thinker. As my time at The University of Texas at Austin comes to an end, I have no doubt that the lessons that I learned from these two individuals will help me in my future endeavors. I am grateful for the countless hours and tireless attention that they dedicated to supporting me.

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I. Introduction

Though perhaps less well known than China's one-child policy, the *hukou* system is a hallmark of population control in the People's Republic of China (PRC). The *hukou* system (translates to English as household registration system) has wrought a pronounced divide between rural and urban residents in China in terms of benefits, opportunities, and social status. Citizens across the nation have different duties and lack the same right to pursue a strong education and high standard of living, because the *hukou* system makes moving to secure a job or quality education exceedingly difficult. Since the early 2000's, *hukou* reforms have been gradually introduced, leaving some with a sense of hopeful optimism, others with a sentiment of too little, too late.

After learning that reforms were taking place, I was curious as to how substantive they are and what their purpose is. The state's motivation for implementing reforms appears to be twofold–promoting urbanization, as part of the country's shift from an industrial economy to a service and consumer-based economy, and maintaining the Chinese Communist Party's (CCP) grip on political power in the single party state. But might reforms nonetheless have the added consequence of loosening constraints on movement and lessening the disadvantages of rural Chinese? After researching the *hukou* system I was left with a critical query–do *hukou* reforms significantly roll back the institutionalized inequality brought about by the *hukou* system? If not, what else could be done to address this inequality? In this paper, I seek to address these

questions, which are critical to understanding how sociopolitical conditions are evolving with China's economy, by describing the problems brought about by the *hukou* system and evaluating reforms' ability to solve them.

Though modifications may now be warranted, the *hukou* system is not arbitrary, cursory, or hastily implemented. When the Chinese Communist Party (CCP) secured power in 1949, it became concerned with differentiating residential groups as a means to orchestrate state developmental priorities and manage population movement. The state needed a policy that would prevent overcrowding by keeping the number of non-working residents in major cities to a minimum, an impossible outcome if China's prodigious population was allowed to move about unrestricted. There are few homeless individuals, even in Chinese megacities like Beijing and Shanghai, which may surprise visitors who have spent time in places like New York City. Blind migration would be shambolic in China.

In pursuit of orderly development, China's government implemented the *hukou* system over the course of the 1950's through a series of policy initiatives. China needed to organize its human capital if it was to join the ranks of the industrialized nations through a planned economy. The country needed a system by which it could track workers' movements and entice or disallow them from moving, based on an area's labor needs. It was also critical that rural agricultural production feed the burgeoning nation. The *hukou* system provided a basis for resource allocation, as well as social stability (Cheng 1994). Yet changes in China's economic policy and the global market have brought an increasing demand for labor in cities, which has impelled Chinese leaders to modify the hukou system.

Chinese leaders, who are all members of the Chinese Communist Party, also had a political motivation for establishing and preserving the *hukou* system. Though China is not a democracy and does not elect its leaders, CCP members must maintain a level of popularity and support amongst the Chinese people that precludes widespread protest and overthrow. The CCP has institutionalized certain political safeguards of its power. The *hukou* system is one such safeguard. However, migrants have begun bypassing the *hukou* system, mitigating its efficacy. Reforms are also likely designed by the CCP to neutralize the threat that the migrants pose to CCP power.

The literature on *hukou* system is diffuse, so my paper combines analysis of Chinese policy in practice and statistics from a broad swath of sources–books, academic journals, and Chinese and western news sources. I rely heavily on pre-existing statistical analysis from other academic studies; including Dorothy Solinger's conclusions about migrant workers in China, Kam Wing Chan's analysis of recent *hukou* reforms, Davis and Feng's study of inequality in post-socialist China, and Fei-Ling Wang's theories regarding institutional exclusion and *hukou* reform.

After considering key characteristics of the *hukou* system, I argue that the *hukou* system has produced inequality of opportunity (as opposed to an outcomes-based type of inequality such as inequality of income) in access to education and healthcare. Additionally, it has manifested two classes of citizens. My paper then discusses the reforms that have been underway in China since the early 2000's and considers the impact that these reforms will have on access to education, access to healthcare, and citizenship in China. Is the inequality of opportunity brought about by the *hukou* system being mitigated or do reforms fall short? I chose to address education and healthcare in this paper because both services are critical to promoting equality of

opportunity, though I anticipate that further study would illuminate similar trends in housing and labor markets, as a result of the *hukou* system.

Because the *hukou* system is at the heart of so many aspects of Chinese life, it is necessary to approach it by looking at its effects on certain areas. Attempting to chronicle every attribute and impact of the *hukou* system would be futile. Moreover, the *hukou* system is never finalized, rather it is constantly evolving in response to a multitude of socioeconomic and political factors, as well as being molded by state policies. The way the Chinese people interact with it is in constant flux. In fact, studying the *hukou* system can be similar to looking through a kaleidoscope. With each turn, the colors and patterns appear a little different. In order to produce as complete an image as possible in a single paper, my paper will make three turns of the kaleidoscope, considering the *hukou* system through its effects on the salient areas of education, healthcare, and citizenship. In the following three sections, I briefly introduce each area.

i. Education

The *hukou* system has profound implications for the equality of opportunity in China because access to education is dependent on one's *hukou.* Though nearly all children are provided with at least a rudimentary education, the variation among schools is vast. Standards for rural schools often pale in comparison to their elite urban counterparts, putting rural children at an abysmal disadvantage to pursue higher education or gainful employment. Despite the dramatic rise in overall college admissions during the late 1990's which has led to more Chinese students attending college than ever, elite Chinese universities determine their own admissions standards and seats often go to students from top high schools, which tend to be located in urban

settings. Education is also essential to China's continued economic development, as education is critical for a labor force equipped with the skills to fill jobs, which in China are increasingly service jobs rather than assembly-line jobs. Moreover, education is one of the most vital social services a government can provide, offering one of the highest returns on investment of any good or benefit (Brauw and Scott 2007). Under the *hukou* system, families were unable to relocate to seek out better education resources (Lu 2013). In this paper, I consider whether *hukou* reforms will help equalize educational opportunities by allowing families more mobility to put their children in a position to be competitive for college admissions.

ii. Healthcare

China's healthcare system is also closely tied to the *hukou* system, which has caused substantial inequalities to persist between rural and urban *hukou* holders' access to healthcare. In the 1980's, China decentralized control over much of the healthcare sector, so the quality of healthcare now depends on local taxation. Because local governments distribute the benefits they can, based on taxation percentages, residents of wealthy coastal cities enjoy far more benefits than rural dwellers, who may fund the majority of their healthcare expenses out of pocket (Houggaard, Osterdal, Yu 2011). This is also why some cities are hesitant to admit more *hukou* holders, as it would be forced to spread its health spending among more people. Might spreading health spending over more city residents bring urban health spending more in line with rural health spending?

iii. Citizenship

Citizenship includes a set of duties, abilities, and accommodations not afforded to noncitizens, such as voting rights and social benefits. However, citizenship in China is vaguely defined by the Constitution and is far from uniform in practice. Article 33 of the Constitution of the People's Republic of China (PRC) states:

> All persons holding the nationality of the People's Republic of China are citizens of the People's Republic of China. All citizens of the People's Republic of China are equal before the law. Every citizen is entitled to the rights and at the same time must perform the duties prescribed by the Constitution and the law (Constitution 2004).

What are the rights that the people are entitled to? Do laws include all directives from the CCP leadership, which carry great weight?

China's policies have in essence created three distinct classes of citizens--rural, urban, and migrant. Rural citizens, urban citizens, and migrant citizens receive incommensurate benefits, though their duties and responsibilities to the state are roughly the same. Moreover, rural citizens lack the right to move to a city to pursue a better quality of life. If they move to the city, they are unable to access government-provided goods and services like education and healthcare in their new home.

II. Background and Early Development

i. *Hukou* System in Historical Context

The end of the Chinese Communist Revolution gave way to the founding of the modern People's Republic of China (PRC) in 1949 and the beginning of the Maoist Era, which would last until Mao Zedong's death in 1976. Under Chairman Mao's leadership, China became guided by Marxist-Leninist ideology. Mao promoted a centrally planned economy, collectivization of agriculture, and rapid industrialization. Political destabilization resulted from the hardships the country endured during the Great Leap Forward and Cultural Revolution. Nevertheless, the population boomed. Then came China's Reform Era (1970's-1990's), during which China transitioned from a planned economy to a market economy (hereafter referred to as "marketization") under the guidance of Deng Xiaoping, embracing capitalism. This period of rapid political, economic, and social change set the backdrop for the establishment and initial development of the *hukou* system in the PRC. The *hukou* system, a socialist relic, has interacted with China's capitalist economy in strange ways, as China's public goods regime declines and marketization marches forward in more sectors. This section aims to contextualize the *hukou* system's early development and describe the system's key features.

ii. Antecedents

Though the *hukou* system has only existed in its current form since the 1950's, its origins can be traced to imperial China. A similar institution was implemented during the Warring States period (fifth century B.C.) and played a momentous role in the political order under dynasties from the Qin (third century B.C.) to the Qing (1644-1911). The effectiveness of this imperial antecedent fluctuated, at times serving as nothing more than a family register. Yet in the Qi state (seventh century B.C.), the *hukou*-like system was used to impose regionally diverse taxation and conscription policies. At other times, it was used to restrict population movement (Wang 2005).

Another influence for the *hukou* system comes from the Soviet Union. The Soviet *propiska* system was implemented in 1932, following the Russian Revolution. The *propiska* system required a residence permit and an internal passport for all citizens older than sixteen. Soviet citizens were restricted "to one legal place of residence, and its presentation was required to accept work, enter a school or institution of higher learning, get married, and perform other civic formalities ("The Residence…"). Though the Sino-Soviet split of the 1960's damaged relations between Beijing and Moscow, The Soviet Union and the People's Republic of China were the two largest communist nations in the world in the 1950's and many parallels exist between their socialist policies.

iii. Development

Though the Republic of China (ROC) and the People's Republic of China both implemented a form of the *hukou* system, the system underwent major changes during the 1950's

that brought it nearer to its modern permutation. The *hukou* system has never been legislatively established, though there is some push to change this in modern China. Rather, the *hukou* system has been shaped by a series of rules and directives, whose titles are wonderfully descriptive. In 1955, the State Council issued a series of directives that would lay the groundwork for the *hukou* system: "Directive on the Establishment of a Permanent System of Household Registration," "Temporary Methods for Supplying Urban Grain Rations," and "Criteria for Demarcation of Urban and Rural Areas (Solinger 1999)." Then Mao Zedong called on the National People's Congress to author and release the seminal "Regulations on Household Registration in the People's Republic of China," formally establishing the national *hukou* system and creating the rules that would guide it. This regulation was later bolstered by the 1985 "Regulation on Resident's Personal Identification Card," which created a requirement similar to the *propiska*'s identification card requirement. The PRC State Council, its Ministry of Public Security, and local security officials were to be the administrators, arbiters, and enforcers of the *hukou* system. Given that the PRC Constitution makes no mention of the *hukou* system, these directives form the legal basis of the system (Wang 2005).

Further directives have shaped the way migrants interact with the *hukou* system. The 1983 "Regulations Concerning Cooperative Endeavors of City and Town Laborers" allowed peasants to move into market towns and the 1985 "Provisional Regulations on the Management of Population Living Temporarily in the Cities" permitted peasants to take jobs in the cities, though no social services were extended to them. By the mid-1980's, everyone was required to carry a citizen identification card that specified one's *hukou* registration. The subsequent 1989 and 1991 directives allowed state owned enterprises (SOE's) to sign contractors directly with workers and report the hiring to the Labor Department later on, rather than requiring migrants to

go through the Labor Department to secure urban employment, as had been previously been the case. Low level workers began to be hired, regardless of their *hukou* registration, for city jobs that urbanites refused to work (Solinger 1999). Today, the number of migrants has risen to nearly 270 million (Tiezzi 2016).

iv. Key Features

At first, the *hukou* system allowed for some fluidity, as evidenced by Article 90 of the 1954 constitution, which guaranteed Chinese citizens "freedom of residence and freedom to change their residence (Constitution 2004)". However, widespread economic upheaval and famine invoked by China's Great Leap Forward campaign (1958-1961) invited inordinate amounts of rural-urban migration. The state responded by increasing the scope and strictness of the *hukou* system, until it amounted to a nearly impermeable barrier to migration for Chinese around the nation.

The *hukou* system requires each person to be registered with their family at their place of residence, which was almost certainly the place of their mother's *hukou* location, until 1998 when a child had the option to use the father's *hukou* location. Each Chinese person can have only one official *hukou* at any given time. A person's hukou cannot be exchanged or transferred without explicit permission from the Chinese government, and that permission has not often been granted. Historically, migration certificates were granted primarily for individuals hired by a state-owned enterprise, displaced from rural land as result of state expropriation, admitted to an institution of higher education, granted cadre promotion, experiencing exceptional family circumstances, or recruited to the armed forces (Chan and Buckingham 2008). As a result, most

people are forced to lead lives bound to their village or city, though the numerous migrants today demonstrate that many Chinese would like the ability to move. A person's *hukou* serves as proof of their official status, either rural or urban, and is a prerequisite to nearly all daily needs and activities–housing, employment, education, marriage. This is because nearly all state-distributed goods and services flow through a person's *hukou*.

Since China began its transition from a planned to a market economy under the leadership of Deng Xiaoping, rural *hukou* holders have had the ability to sustain an urban livelihood without state support. Some individuals decided to forego access to state-provided goods and services in their hometown by moving to a city to find work, without first obtaining an urban *hukou*. These people are known as the floating or impermanent migrants (hereafter simply referred to as migrants). During the 1980s, a wave of *hukou*-less migrant workers appeared of their own accord in China's major cities, often leaving their families behind in the countryside. Some migrant workers were recruited by state-owned enterprises (SOE's) and were thus granted an urban *hukou*. Both sorts of migrants tend to be treated like foreigners in major cities, a pseudo-xenophobia that partitioned locals from outsiders, though *hukou*-less migrants were by far the worse off of the two. The temporary residence permit created in the 1980's did little to address inequality, as migrant workers were still denied fundamental social services. For those granted a coveted urban *hukou*, permanent or temporary, they could be immediately stripped of their *hukou* for engaging in in any sort of criminal activity.

There have always been two categories of *hukou* in China. Initially, the types were based on occupation–agricultural and non-agricultural. As their names suggest, agricultural *hukou*'s were mostly held by rural farmers and non-agricultural *hukou*'s were primarily held by urbanites who had jobs other than farming. Agricultural *hukou* holders were forced to send surplus grain to

the government for distribution amongst non-agricultural *hukou* holders in the city. As farms were increasingly collectivized and fewer rural people engaged in farming, the two types of *hukou* became to be known as urban and rural. Urban *hukou*'s are preferable to rural *hukou*'s because they still give a person access to a higher quality of government-provided goods and services. The divide between China's rural and urban areas has become seemingly impervious, a division that some have deemed the "bamboo curtain." Recently, there has been a push to do away with these distinctions altogether in lieu of a unified *hukou*, though *hukou*'s would still be based on one's location of residence.

As China's economy continues to grow at rates as high as seven or eight percent GDP, its city centers become ever more sprawling, engulfing the countryside areas at their margins to make room for more high rises and industrial complexes. Such urban sprawl has created a legion of agricultural *hukou* holders now living in urban areas, no longer able to farm. In relation to their neighbors, these rural *hukou* holders are disadvantaged by the inferior benefits granted by their *hukou.* Local governments have begun to recognize this mismatch and do away with agricultural/non-agricultural distinction in the areas under their jurisdiction. Many cities now have a *jumin* (unified) *hukou*, thereby extending equal rights, benefits, and status to all urban dwellers. Many cities now offer new *jumin hukou*'s as compensation for land expropriation.

The Ministry of Public Service and its local subsidiaries enforce the *hukou* system. Detainment, repatriation, and fines can all be rendered for those found without the proper *hukou*. Typically, security officials are more concerned about rural *hukou* holders living illegally in the city, rather than urban *hukou* holders living in the countryside. Security officials tend to be very supportive of the *hukou* system, as it allows them to know who is under their jurisdiction.

Moreover, criminals can be stripped of their non-agricultural *hukou*, which dis-incentivizes crime.

v. Political Logic

The *hukou* system is an asset to the CCP because it helps mitigate the potential for political instability and uprising in urban areas. The divide that the *hukou* system renders between urban and rural residents is not without reason. Urbanites pose the biggest threat to CCP power because they tend to be the best educated and have the most resources at their disposal. A well-coordinated urban uprising could lead to the rise of a new political party and oust the CCP. In order to mollify urban residents, the CCP must ensure that they can be prosperous and successful. If cities were burdened with an influx of rural people with little education and no skills to contribute to the city, they become a burden on city public goods and services without contributing to the overall productivity of the cities. The CCP must guard against an influx of these sorts of individuals or else it risks angering urbanites who would be negatively impacted. Migrants to the cities must be hardworking and have skills that will contribute to the betterment of the city and the ultimate contentment of the urban *hukou* holders.

Rural *hukou* holders seem less likely to stage a devastating uprising in part because coordination would be difficult. They are spread across large areas. So much planning would have to go into such a protest that the CCP would be likely to get wind of it and be able to stamp it out before it came to fruition. Nevertheless, the rural *hukou* holders' staggering numbers makes a rural uprising an ongoing threat. Rural *hukou* holders have many reasons to rise up, given the inequality of opportunity that they face (as discussed in section II). Yet many seem unaware of the extent to which the state priorities urban *hukou* holders over them. It is in the state's best

interest to keep the rural *hukou* holders out of the cities so that they remain unaware of what they are missing and complacent. If the CCP were to do away with the *hukou* system altogether, cities would be overrun. This would anger the existing urban residents, whose quality of life would diminish. It would also enrage the former rural residents, who would realize what they had been missing. Such anger could fuel protests that would eliminate the CCP, a risk that the party is not willing to take.

III. *Hukou* Policy in Practice–Inequality of Opportunity

Equipped with an understanding of the historical context and general development of the *hukou* system, let us now consider the sociopolitical conditions that it has incited. The *hukou* system's true significance lies not in its institutional features, but in the impact it has had on the Chinese people. Understanding the effects of the *hukou* system at its height will help us to understand the value of the reforms underway and to evaluate their potential to render change. This section describes the effects of the *hukou* system on the educational opportunities, the healthcare system, and citizenship in China. Each section considers the area more generally, before identifying its relevance to migrants. Migrants have been particularly impacted by the *hukou* system and many have fought its hold by moving without a *hukou*. Considering the plight of migrants helps paint a clear picture of the effects of the *hukou* system.

Labor and housing opportunities offer fruitful areas for further analysis but this study will limit its consideration to the aforementioned areas because their relationship to the *hukou* system is more readily observed without engaging in technical market analysis, which is beyond the scope of this paper. Understanding the impacts of the *hukou* system is critical to assess the

implications of reforms, which I do in section IV of this essay. In this section, I aim to convey that the *hukou* system has produced an inequality of opportunity in education and healthcare, as well as created several classes of citizenship.

i. Educational Opportunities

Learning is valued in Chinese culture, both ancient and modern. The teacher-student relationship has traditionally been a sacred one. Education is also essential to labor force gains, ensuring that a nation can make full use of its human capital. In China, education is considered a public service, meaning China hosts one of the most capacious public education systems in the world to serve its substantial population. As a result of legislation passed in 1986, nine years of education is compulsory for all citizens. China's Ministry of Education estimates that 99.7% of the population has completed nine years of basic education, according to a June 2016 survey ("China Education" 2016). Any student who wishes to further his or her education subsequently completes three years of high school, takes the National Higher Education Entrance Exam and may be admitted to a university. In some ways, this exam is the modern descendent of the bureaucratic exams administered to aspiring government officials in ancient China. It reflects China's continued commitment to meritocratic ideals. Yet even a system that is fair by design can merely reinforce existing inequalities if it fails to actively guard against them. The geographically based inequalities of the *hukou* system seem to have mitigated the equalizing effect that the Exam might otherwise offer.

Geographically-based disparities in education begin at the primary school level, despite China's near-universal education. A strict hierarchy between rural and urban education systems

has emerged, in which urban schools nearly always outrank rural schools in terms of quality. This privileges city children over their rural counterparts (Cheng and Selden 1994). Government education spending in rural areas tends to be much lower and increased resources often lead to a superior quality of education in the city. As a result, urban students are the top performing group on the National Higher Education Entrance Exam.

Rural students struggle to compete for university admissions, in part because they are often ill-prepared by countryside schools. Household wealth and local school quality have a major impact on whether a child can continue on to higher education, on how a child will perform within school, and what the student's job prospects will be once they graduate. Though rural families can now send their children to some urban schools for a considerable fee, rural students must still return to the countryside for the National Higher Education Entrance Exam. Rural youth far outnumber urban youth and more rural residents are taking the Exam than ever before. Thus, even rural youth who attended urban high schools must compete against a larger applicant pool to secure quota-based university seats. Universities are increasingly able to determine their own quotas, meaning they can admit different numbers of students from each province or municipality. In most cases, quotas are still not proportional to the number of applications received from a certain area.

Moreover, most of China's leading universities are located in urban environments, a factor that would be irrelevant if Chinese could move freely. However, many Chinese universities admit off-campus students, once on-campus slots have been filled, providing urban students with an avenue to university admissions not available to rural students. Off-campus students must have a local, urban *hukou* in order to fill one of these commuter seats so that they can obtain housing nearby (F.L. Wang 2005). Though there was a dramatic overall increase in

China's college admissions quotas between 1999 and 2005, continued gains risk depreciating the value of a college degree and undermining returns. Nonetheless, allowing more students to attend college could help open more seats for rural students. Quota hikes seem likely to continue, as the government hopes to continue improving the quality of China's labor force promoting domestic consumption.

Educational achievement remains closely correlated with economic and employment opportunities, leading to a greater earning potential over the course of a person's life. The following table demonstrates that the income one can expect to earn grows tremendously with each additional year of school completed. Additionally, Table I shows that college education bolsters income potential more than technical school, technical school more than high school, high school more than junior high school, and junior high school more than primary school.

Table I: Estimates of rates of returns to education in urban China, 1988–2001

Year	Years of schooling	College/above versus high school	Technical school versus high school	High school versus junior high	Junior high versus primary school
1988	4	12.2	3.1	11	13.9
1989	4.6	14.4	5.8	11.6	17.3
1990	4.7	16.6	9.9	11.5	12.8
1991	4.3	15.9	8	9.7	13.4
1992	4.7	20.1	9.2	9.8	10.8
1993	5.2	20.4	7	11.5	13.6
1994	7.3	28.7	15.3	14.5	20.2
1995	6.7	24.4	12	15.3	18.9
1996	6.8	25.2	10.4	15.6	14.9
1997	6.7	22.3	12	17.3	10.9
1998	8.1	32.1	16.5	16.2	12.2
1999	9.9	38.1	17	21	14.8
2000	10.1	38.7	16.2	20.5	16.4
2001	10.2	37.3	17.8	21.4	13.8

Song, Xiaoqing; Albert Park, Yaohui Zhao, Junsen Zhang. Table 3. Economic returns to schooling in urban China, 1998 to 2001. *Journal of Comparative Economics 33 (2005)* 739.

In most countries, citizens would vote with their feet by moving to a location that allows them to access the education resources that will boost their lifetime earning potential. However, the *hukou* system has made such migration extraordinarily difficult for rural *hukou*-holders in China. The resulting inequalities in opportunity risks a phenomenon called the attribution theory, which says that people are more likely to think that economic success comes from corruption or criminal activity than talent or effort if the playing field is unequal. This could lead to widespread unrest in China because citizens' attitudes toward inequality can have ramifications for political stability, a major concern for the Chinese Communist Party (Lu 2012). At the same time though, strong correlations between education and economic success indicate that many of

China's power wielding elites have benefited from the current permutation of the education system. This makes it unlikely that the elites will petition for changes, and the uneducated may not have the means or ability to do so.

ii. Education and Migrants[1]

Many migrants are young and single. They are typically more literate than the average person in the town from which they came, but less literate than an urban *hukou* holder. Migrants' lower education level often leads them to assume service or manufacturing jobs that require few skills. Migrant women often clean houses or work in a factory; migrant men work in a variety of industries. Moreover, the one-child policy created more opportunities for migrant workers to take these sorts of positions, as cities lacked enough workers to fill critical but undesirable jobs such as garbage collection (Davis and Feng 2009). Davis and Feng suggest that uneducated migrant workers may actually be preferred for certain manual jobs over uneducated urban workers, especially amongst. SOE's and private corporations. This is because peasant migrants are more willing to work long hours for small wages, in poor conditions than urban youth are. They are also replaceable, given the immense number of migrants. Foreign firm can get away with treating migrants poorly because they tend to enjoy only light regulation from the central government.

[1] This section owes much to Dorothy Solinger's *Contesting Citizenship in Urban China: Peasant Migrants, the State and the Logic of the Market*. Her consideration of education and corresponding trends in employment and the labor market epitomize the deep effects of the *hukou* system.

The central government strongly desires foreign investment and is therefore willing to turn a blind eye to poor working conditions, as well as overlooking workers that have not obtained an urban *hukou*. In contrast, local governments tend to treat migrants more hesitantly because they are left to deal with the migrants, should they become unemployed. Local public security officials also worry about corresponding spikes in crime. Studies conflict in regard to how much crime is actually committed by migrants, but reports are likely skewed because migrants tended to be scapegoated for crimes they did not commit (Solinger 194-241).

Under the *hukou* system, prior to its recent reforms, migrants legally had to leave their children behind in the countryside so that they could complete the nine years of compulsory education. Some migrants simply evaded this law–Solinger tells us that only 40% of 5-12 year-old migrants in Beijing in 1995 attended school. Students could only enroll in schools at the site of their *hukou* and most migrants were unable to obtain an urban *hukou* in the city where they were working. It was often necessary for migrant children to be left behind to be raised by a grandparent or other family member. This had profound effects on migrant family dynamics, in a culture where multiple generations tend to live together and familial piety is sacred.

In some cities, enterprising leaders sought to commodify migrants by allowing a black market to emerge, through which migrants could obtain an urban *hukou* for between 8000 and 15,000 yuan, which would allow parents to purchase an urban *hukou* so their child could enroll in an urban school (Solinger 90).

In the 1980's and 1990's, capitalism began occurring in the education sector and attending a public school with a local *hukou* was no longer the only option for education. Migrants and enterprising educators began establishing private schools for migrant children and some public schools began allowing enrollment from students without a local *hukou* for a

copious fee. Though it remained prohibitively expensive for many migrants to enroll their children in urban schools, prosperous migrants now had the option of bringing their children along with them to the city.

Migrants often learn new skills during their time in the city - whether through trade school or through job training - but scholars disagree as to how this impacts migrants' home villages. Proponents of the modernization theory say migrants' home villages benefit from new information and skills that migrants bring with them when they return home. Returned, cosmopolitan migrants may inspire youth in their home villages to pursue their education with vigor. Migrants may also benefit their communities by using trade skills that they learned in the city to establish businesses that provide useful services, businesses that may subsequently train and employ village youth. However, dependency theorists claim that skills migrants learn in the city are irrelevant to life in the countryside and the primary way that migrants effect their home villages is through remittances. Jeffrey Taylor warns that brain drain negatively impacts agriculture, and that villages become unproductive and dependent on remittances (Taylor, 1988).

iii. Access to Healthcare

Amartya Sen questions whether social consequences in China are the result of economic reforms, or whether economic consequences have stemmed from social reforms (Sen 1999). Sen identifies healthcare reform as one of those social phenomena that seems inextricably linked to economic development. R.W. Fogel makes a similar claim, arguing that between 1790 and 1980 one third of Britain's income gains result from improved health (Fogel 1994; Yan, Zhang, Wang, Rozelle 2006). Strong healthcare is certainly critical to the rise of developing countries. The

advances that China has made in its post-1949 years in healthcare have led to the substantially increased longevity and vigor of its labor force, which is especially momentous because China's workforce is one of its most valuable resources. Yet I would argue that the relationship between economic growth and health is cyclical because economic growth also provides more money that can be invested back into healthcare improvement. As China's economy continues to grow, the government has an opportunity to further augment the capacity of its workforce by reinvesting economic gains in its healthcare system.

In 1949, China established the Cooperative Medical System (CMS), which helped facilitate the delivery of healthcare to rural persons. It allowed poor rural workers to pool their money as part of a collective in order to afford insurance and healthcare. Largely as a result of this system, the health of China's population improved significantly between 1952 and 1958. CMS was eliminated in the 1980's, when the introduction of a market economy disbanded collectives and revolutionized China's agricultural sector. Rural healthcare had to be rethought. Soon after, the New Rural Cooperative Medical System (NCRMS) was implemented in 2003 to help the struggling rural *hukou* holders to afford healthcare. NCRMS is distinctive from CMS in that it is a voluntary, opt-in program and participants have the option to pursue private healthcare if they so choose. As a result of these initiatives, infant mortality dropped from 200 to 34 babies per 1000 and overall life expectancy skyrocketed from 35 years to 68 years (McMullins-Owens 2015). Similar to Western countries, China's difficulty fighting infectious diseases gave way to struggle with chronic diseases.

Central government spending in China declined from 32% to 15% between 1978 and 1999, as the onus for healthcare shifted increasingly to local governments (Blumenthal and Hsiao 2005). Seemingly overnight, the quality of healthcare in a given area became dependent on the

amount of money a city or region was able to raise through taxes. Urban areas had wealthier residents that cities were able to charge higher taxes in order to offer better services. Economic restructuring during the 1980's also jolted health care facilities, which were forced to raise prices on their services after losing much of their government support. When government price controls on basic care were implemented, providers turned their focus to expensive pharmaceuticals and high tech services that catered to wealthy patients (Blumenthal and Hsiao 2005). Health care facilities in cities tend to have more patients who can afford these sorts of services, which increases the overall profitability of the health care provider. This allows urban health care providers to offer a superior quality of service, as well as more specialty services. Rural health care facilities rarely had the physicians or equipment to offer nonstandard medical procedures.

Administration of China's state-run health care system is dependent on China's *hukou* system. State-provided health insurance and care flow through local institutions, near the site of a Chinese citizens' *hukou* registration. This means that a rural person seeking care can expect to receive the lowest cost of care at the health care provider nearest to their *hukou* registration. Rural *hukou* holders are disadvantaged by lower quality of care from rural health care providers and their inability in most cases to seek care from an urban provider. Many rural *hukou* holders also struggle from lack of coverage. By 1999, 49% of urban *hukou* holders had health insurance, while only 7% of rural *hukou* holders had health insurance (Blumenthal and Hsiao 2005).

China has made efforts to close the gap in urban and rural healthcare with recent reforms. In 2009, the central government launched an initiative that included an $125 billion USD investment over three years, as part of its larger objective of achieving universal healthcare coverage by 2020. Given how many more rural *hukou* holders than urban *hukou* holders lack coverage, the government has focused its efforts on China's rural western region by increasing

funding for primary care in public hospitals in that area. The government hopes to achieve universal coverage with basic benefits to all Chinese people, before deepening coverage to make it more comprehensive and useful (Yip et al 2012).

iv. Healthcare and Migrants

Except in rare instances, *hukou*-less migrants have been forced to return home to the site of their *hukou* in the countryside when they need medical care (Solinger 1999). Some do not survive the journey. This is because their public health insurance is locality-based. They might receive 80% coverage for routine care in the city, 60% coverage at a county hospital for more serious treatment, 25% coverage for a specialist in a city hospital, and 0% coverage for routine care in a city hospital. Urban medical providers may be willing to treat migrants but the migrant will almost certainly be forced to pay out-of-pocket. Private options for healthcare providers have begun to be established but these institutions are often expensive and of a questionable quality. Migrant workers tend to be young and vivacious, but they are not immune to disease or injury. In fact, occupational health and safety is a major concern amongst migrant workers, who are often subjected to poor working conditions.

According to Hu, Cook, and Salazar, migrant health has garnered government attention in three areas – infectious disease, maternal health, occupational disease and injury – though it has been reticent to intervene (Cook, Hu Salazar 2008). One of the few forays made into migrant health by the public health department has been efforts to minimize infectious disease in migrant communities by providing vaccinations and other precautionary services (Solinger 1999). As an itinerant group, migrants have the potential to quickly spread diseases across the country. They

have a disproportionally high occurrence of sexually transmitted diseases and communicable diseases like severe acute respiratory syndrome. Maternal mortality is also higher amongst *hukou*-less migrant mothers, who have generally been forced to deliver in illegal private clinics rather than public hospitals because of their inability to travel home or afford urban health services.

It should also be noted that need of health care can be a major push factor for rural *hukou* holders considering migration. Health expenses are a leading cause of poverty in rural areas, which can prompt workers to seek higher wages from employment in a city. Rural *hukou* holders who suffer from a rare health condition may by drawn to the city by both higher wages and access to health specialists.

v. Citizenship and Social Stratification

Citizenship involves a set of rights and duties that lay the foundation for a citizen's relationship to the state. When an entire group of citizens have different rights and duties from another group of citizens, these groups constitute different classes of citizens. Both groups are still members of the same society but they can no longer be classified in the same way because of their different rights and duties. A right does not exist if a person does not have the ability to exercise it. Chinese rural and urban *hukou* holders in essence have different rights and duties entirely because they assert them in such drastically different environments. In China, different classes of citizenship have emerged and come to delineate the society's social stratification as well.

T.H. Marshall identifies three components of citizenship– civil, political and social. The civil component involves rights, such as the right to justice. This right is unique in that it involves the right to "defend and assert all one's rights on terms of equality with others" (Marshall 1951). In China, the right to justice is not promoted by the *hukou* system. Rural citizens in theory have the same right to access quality education and healthcare that urban citizens do. But they are unable to defend or assert this right by moving from the countryside to the city in order to access the goods and services "on terms of equality with others" (Marshall 1951). This denial is institutionalized by the *hukou* system, leaving rural *hukou* holders no path to redress.

Bryan Turner asserts that resource allocation is one of the two biggest issues in modern citizenship (1993). I would argue that if a state provides goods and services, as has been the case in China, then it should provide an equal quality of those goods and services to all citizens living in the same area. Yet individuals living in roughly the same area of China may receive disparate resources, simply because of the label of their *hukou*. Though the public goods regime has declined in China in recent years, many goods and services continue to be administered by local officials at the site of one's *hukou* in the post-socialist state. One of the most significant components of citizenship in China–resource allocation–disproportionately benefits urban *hukou* holders. Rural *hukou* holders' right to justice, as defined by T.H. Marshall is thus violated. As stated before, citizenship at its core is a set of rights and duties. In China, rural *hukou* holders have not only had added duties because they have been expected to contribute more to the state, especially in terms of grain, but have received less in return.

Because of unequal rights and duties, the *hukou* system has in essence created three classes of citizens: urban, rural and migrant. Urban *hukou* holders have been privileged over the

rural *hukou* holders by nearly every measure (Cheng and Selden 1994). The rural-urban divide has been impermeable because of the *hukou* system's constraint on movement– its use of welfare perquisites distributed at the location of one's *hukou* registration to dis-incentivize movement.

Deng Xiaoping envisioned cities getting rich and bringing the countryside up with them. All boats would rise in China, just not at the same time. Today, China remains in the first phase of his vision, which adds to the unfairness of the *hukou* restraints.

Nor has marketization served to close the gap between the goods and services available to urban and rural citizens. We might think that opportunities in private industry and private goods and services might offset the inequality of opportunity created by rural citizens' inability to access superior public goods and services in the city. This is not the case. A strange ecosystem has emerged in China, one of communist capitalism, of socialist institutional practices and market rules production and industrialization. Davis and Feng describe this phenomenon as follows:

> "Communist capitalism has not only produced an economic miracle but also glaring inequality. In 2005, *China Daily* reported that 236,000 citizens were millionaires and that the number of individuals with at least one million U.S. dollars in assets grew at the sixth fastest pace in the World (Wilson 2005). At the same time, per capita incomes are low and a majority of citizens live on less than two dollars a day" (Davis and Feng 2009).

Davis and Feng go on to describe how markets and social benefits can either complement one another by benefitting the same individuals, or else market gains and redistributive social

benefits can offset one another. In China, it seems that urbanites are the beneficiaries of both market gains and public goods.

Wang points to the parallels between the stratification created by the *hukou* system and the Westphalian international system, which characterizes individuals geographically by nation of citizenship (Wang 2005). With increasing globalization and uneven economic development amongst nations, national citizenship has become salient as a social status. In much the same way, one's social status in China, has become based on the geographical location of one's *hukou* registration.

All societies have members stratified socially by some fault line–whether by gender, ethnicity, education, or wealth–because humans inevitably have unequal capacities and resources. Most western societies have a vertical brand of stratification based on socioeconomic factors. China is unique in that it has a pronounced horizontal, geographically based stratification in which urbanites are better off than those living in the countryside, and those living along the east coast tend to be better off than those living in the nation's western interior.

Wang identifies four distinct methods of hierarchical organization common amongst societies around the world: Type I, who you are (i.e. caste); Type II, what you have (i.e. property or capital); Type III, where you are (i.e. *hukou* system); Type IV what you do. China, he says, is currently classified under Type III, while most capitalist countries have a Type II hierarchical social organization. Therefore, those who have benefitted most from China's economic rise and public programs are not necessarily the most apt or deserving, but are just those individuals who were in the right place (the Western cities) at the right time (after the 1980's). If the *hukou* system is loosened or abolished, China may see a social reshuffling and move toward a Type II hierarchy.

Social stratification and grouping can be helpful to the state in its efforts to govern effectively because cohesive subunits of the population are more easily managed. Wang argues that such division provides a basis for resource allocation and social stability, which has been the case in China. Both benefits in turn promote economic development, the paramount goal for China. Scholars like Wang assert that China's development has outpaced Brazil and India precisely because those nations lacked an institutionalized like the *hukou* system.

Though some parallels exist between India's caste system (now de facto rather than de jure), the *hukou* system makes it much easier for China's government to control and mobilize its labor force. All three nations have dual rural/urban economies and have sought to urbanize quickly, while keeping surplus labor in cities to a minimum. However, they differ in the uniformity and perceived legitimacy of their institutionalized social stratification. China's *hukou* system and authoritarian regime seem to be the most successful. The following table, from Wang's *Organizing Through Division and Exclusion: China's Hukou System* is helpful to observe these differences and to compare features of China, Brazil and India. The chart identifies the type (I-IV, as discussed above) of hierarchical organization, the enforcers of the hierarchy, the efficacy of the enforcers, and several other measures of the country's political and economic health. By these measures, it appears that the *hukou* system has been an asset for China, politically and economically, despite the disparities it brings about between urban, rural and migrant citizens.

Table II: In Addition to Money: Institutional Exclusion in Brazil, China, and India

Country	**Brazil**	**China**	**India**
Institutional Exclusion	Yes	Yes	Yes
Common type (nationally)	II	II	II
Fault line	What you have	What you have	What you have
Legitimacy	high	high	high
Main enforcer	market	market	market
Uniformity	high	high	high
Effectiveness	high	high	high
Rigidity	high	medium	high
Unique type (nationally)	little	III (*hukou)*	I (caste)
Fault Line	–	Where you are Who you are	
Legitimacy	–	high	low
Main Enforcer	–	the state	society
Uniformity	–	high	low
Effectiveness	–	high	medium
Internal Migration Control	relaxed	tight	medium
Performance/Implication			
Growth Rate (1990-2001)	erratic	high	low
Technological Sophistication	medium	medium	low
Urbanization	completed	slow/low	slow/low
Distribution of gains	polarized	uneven	uneven
Income inequality	high	medium	medium
Urban Poverty/slum presence	high	low	high
Population growth	high	low	high
Formal democracy	yes	no	yes
HDI Rank	stagnation	rise	slow rise
Subjective happiness index	77/100	78/100	72/100
International standing	medium	high/rising	medium

Wang, Fei-Ling. Table 6.2, *Organizing Through Division and Exclusion: China's Hukou System*. Stanford, California: Stanford University Press, 2005. Page 175, Print.

vi. Migrant Citizens and Inequality[2]

Solinger focuses on the third class of citizen in China–the migrants. She insists that citizenship involves civil, political and social rights and that rural *hukou* holders who migrate to cities suffer in regard to all three categories of rights. Though scholars like TH Marshall, Barrington Moore, and SM Lipset agree that marketization typically promotes citizenship and civil participation, Solinger suggests that the *hukou* system, a socialist relic, has offset the civil benefits of capitalism that would otherwise exist (Marshall 1963, Moore1966, Lipset 1963). *Hukou*-holding urbanites are ascriptively privileged and unduly benefit from the urban public goods regime. There is only one upside I can see–Andrew Walder and Janos Kornai argue that welfare is a form of state control, meaning that migrants who forego public goods may actually enjoy more freedom (Walder 1986, Kornai 1992).

In addition to allocation of resources, social membership is an essential component of modern citizenship, claims Bryan Turner. Migrants are denied social membership in their urban homes. Migrants in China are the equivalents of homeless persons or released convicts in the United States, in terms of their status in Chinese society. Solinger goes so far as to compare migrants to colonists, as migrants are reduced to subjects, without rights, whom the state manipulates for its imperial developmental goals. Migrants tend to create their own communities because they feel unable to participate in their larger urban communities (Solinger

[2] This section owes much to Dorothy Solinger's *Contesting Citizenship in Urban China: Peasant Migrants, the State and the Logic of the Market*. Her consideration of migrant citizenship epitomizes the *hukou* system's effects on civil and social inclusion and inequality.

1930). They form their own networks within the cities in which they work but remain on the fringes of urban society. They also lack the opportunity to influence local elections, a level of Chinese politics where democracy is increasingly taking hold. Rural citizens are similarly powerless subjects, taken advantage of by the state, according to Solinger. Only urbanites are true rights-bearing citizens, she claims. The status of modern Chinese is defined by their relationship to the old institutions of government, not their race or income like in other countries. The good news for the state is that migrants are primarily concerned with economic rights, so the threat of social agitation remains low so long as they continue to find employment in the cities.

The *hukou*-less migrant class of citizens is unique in that it its members have sidestepped the constraints of the *hukou* system, choosing to forego state goods and services in lieu of urban employment. After China transitioned from a planned to a market economy under the leadership of Deng Xiaoping, rural *hukou* holders were able to sustain an urban livelihood on their own by purchasing the goods and services they needed through private markets with their wages. Prior to the introduction of capitalism, such private markets did not exist legally and the only option had been for migrants to rely on their home village and rural *hukou* for goods and services, merely scraping by during their time in the city. They would bring along enough grain to support themselves while they worked, leave children behind with other family members, and return to the village when they needed medical services. The migrant class of citizenship must be considered distinct from the rural class, though most migrants have rural *hukou*'s, because most migrants lead their lives in the cities. They are not quite rural, nor quite urban and face unique challenges.

The families of many migrants have been broken apart, as children were left in the countryside to be raised by someone other than their parents, such as a grandparent. Other migrants never marry because their urban work schedule leaves no time for personal matters. Their lack of an urban *hukou* forces them into the shadows. Migrants are often subject to long hours and poor working conditions because they have no voice and no bargaining power over employers. This leaves them little time or energy to engage in community activities.

Civil inclusion is nearly nonexistent for migrant workers, who are shunned by a pseudo-xenophobia that urbanites feel towards "country cousin" migrants. In other societies, only foreigners are subjected to such an extreme branding of otherness. Yet migrants no longer belong in the countryside once they migrate, making them akin to stateless persons. Migrants who return to their rural villages often find that the skills they gained in the city have no application in the countryside.

IV. *Hukou* Reforms Since the Early 2000's

China has been relaxing the *hukou* system through a series of national reforms, most of which have taken place in the early 2000's ("Special Topic Paper"). China has preferred to take a gradualist approach to *hukou* system reforms, as demonstrated by the fact that it began reforms in 2000 and they are still under way (Davis and Feng 2009). Central government discussions of *hukou* reform almost always include the caveat that reforms will be gradual, not shock therapy. Chinese leaders do seem to be committed to sweeping reforms, eventually. The question is whether these reforms will be merely aesthetic or whether they manifest substantive change. Judging by the trajectory of reforms thus far, we must ask ourselves–do reforms merely amount to "loud thunder, little raindrops," as the Chinese idiom warns? Table III displays a few of the major national reforms that have been made. This table is not a comprehensive list of reforms but identifies a few important reforms that will be discussed in this section of my paper. Please see the appendix for a more exhaustive list of reforms at the provincial and city level.

Table III: National Reforms Since the Early 2000's

Year	Issuing Entity	Reform
1997	State Council	Allowed migrants in certain small towns and cities to obtain an urban *hukou* if they had a job and had established residence for two years
2001	State Council	Allows migrants to obtain urban *hukou* in provinces and large cities if they can satisfy certain criteria, which are typically more stringent than those in small towns
2003	State Council	Eliminated the repatriation system, under which migrants were often abused
2015	State Council	Extend urban *hukou*'s to 100 million migrants by 2020

In some ways, loosening state control over internal migration is a natural next step to follow China's marketization because it allows the supply and demand of capitalism, rather than the government, to guide the labor force. Given that China is attempting to shift from an industrial and export-based economy to a service and consumer-based economy, it is necessary to consider what role the *hukou* system will play in the shift and what changes to the system might be needed. Though *hukou* reforms may not yet constitute an overhaul of the *hukou* system–an end that Chinese news media have long prophesied-–change has certainly gained pace over the course of the past few years.

In remarks to the U.S. Congressional Executive Commission on China, Fei-Ling Wang notes that the "*hukou* system has been an administrative system with sketchy legal foundations. It has been governed and regulated by mostly 'internal' decrees and directives" (Wang 2005).

These directives were also described in Part I of this paper. Similarly, *hukou* reforms have been wrought by central government directives. However, some reforms have merely been announced and not formally codified yet. Thus, my research in this section relies more heavily on news media coverage of statements by state and local Chinese leaders.

Until recently there had always existed two categories of *hukou* registration. The urban and rural *hukou* categories had replaced the earlier agricultural and non-agricultural labels respectively, as farms were collectivized and many rural workers had an occupation other than agriculture. Then, in 1992, a State Council Working Group called for unification of the rural and urban *hukou's*. China's State Council adopted the Working Group's recommendation in 2014 and announced a unified *hukou* system for rural and urban residents (Chan and Buckingham 2008). As of early 2016, 29 regions have announced their plans to comply with the State Council's directive by phasing out the two *hukou* categories in lieu of a general *hukou* (*jumin)*. Though a notable break with history, the introduction of *jumin* may be more cosmetic than substantive. Social services and resource distribution will remain location-based, they just will no longer be differentiated by the broad urban and rural categories.

In my estimation, the primary and most impactful reform that has taken place has been the decentralization of control of the *hukou* system, which allows cities to grant new urban *hukou's* and determine who will receive them. Shanghai, Beijing and other metropolises have instituted point-based plans for admittance, weighing factors such as employment, residence, insurance and how long a migrant may have already lived in the city. Small cities and towns have introduced more relaxed policies for granting new *hukou*'s. Some cities require that *hukou*

applicants pay a fee, such as a social security payment. The State Council recommends that applicants not be burdened with such payments for more than five years (Wu 2016).

Marketization has been an impetus for the relaxation of the *hukou* system because the state no longer controls the sole provider for many social services and resources. Government subsidies and welfare services have been steadily declining, especially in the distribution of food. With the decline of the welfare state, admitting more migrants is not so burdensome to cities as it once was. The degree to which the *hukou* system has been liberalized varies widely by region and by city but mobility has generally improved. Small cities and towns are authorized to grant an urban *hukou* to anyone who has maintained a steady income and established residence for at least two years. In 2006, China's central government did away with the *hukou* requirement for civil servants altogether. Nevertheless, it remains exceedingly difficult for potential migrants to secure an urban *hukou* in one of China's mega cities.

Since the 1980's, a series of measures have served to further devolve fiscal and administrative responsibilities for the *hukou* system to lower levels of government. The central government exercised complete control over the system prior to the 1980's, granting or denying (*nong zhuan fei*) permission to move as it saw fit. Fei Ling Wang notes that "since 1997 and especially since 2001, there has been so-called 'deep reforms' of the *hukou* system, primarily concerning its migration-control function" (Wang 2005). The localization of the *hukou* system has allowed cities to admit the workers that they need to meet output goals. However, it has not made migration to a large city significantly easier for the common rural migrant. Cities tend to grant new *hukou's* to highly educated and skilled workers, the wealthy, and the politically well-connected. In a sense though, this has made urban *hukou* administration more meritocratic. As

long as they are not tainted by corruption, points-based plans ensure that urban *hukou*'s go to deserving individuals.

Beijing, Shanghai, Guangzhou, and Shenzhen have some of the highest thresholds for entry, in part because they continue to offer some of the highest social benefits (Chan and Buckingham 2008). Shijiazhuang was amongst the first provincial level cities to eliminate requirements for individuals seeking an urban *hukou* there altogether, and granted 450,000 new *hukou* between the years 2001 and 2003. The city serves as a cautionary tale because Shijiazhuang had to revise its policy when its underdeveloped social service system was overrun by an influx of migrants (Yang 2011). In contrast, Beijing has replaced its former quota system with a points-based permit system that grants an urban *hukou* to migrants who meet four basic requirements before applying for residence: obtain a residence permit in the city, pay social insurance in the city for seven consecutive years, no criminal record, and younger than the retirement age. The Beijing points plan is rather vague though, in that it does not specify how many points a migrant will need (Su and Rongde 2016). Applicants receive extra points for being younger than 45 years old and holding advanced degrees. The new system goes into effect January of 2017. However, Li Xiaozhuang from the Beijing Academy of Social Sciences predicts that admittance to Beijing will become more competitive than ever because only 10,000 new urban *hukou*'s will be granted each year (Salvacion 2016). Local officials' decision making is informed by interest in their city's success rather than the good of the country as a whole. Local leaders hope that they can use new urban *hukou*'s to bring in a strong labor force that will draw foreign investment, as well as bring in wealthy migrants who will contribute to the city's tax base.

Another significant switch in the *hukou* system is the 2003 replacement by the State Council of the 1982 "Measures of Detaining and Repatriating Floating and Begging People in the Cities" with the "Measures on Repatriation of Urban Homeless Beggars" and "Measures on Managing and Assisting Urban Homeless Beggars without Income." The reversal came in response to the highly publicized case of the young migrant to Guangzhou who beaten to death during the repatriation process. The new policies have led to more humane treatment of migrants who are discovered to be living in a city without an urban *hukou (*Wang 2005).

As of the time this paper was written, the most recent reform measure was an announcement by China's State Council the year before that it would "grant urban residence permits to 100 million permanent residents by 2020 – a huge number but still less than half of the nearly 274 million migrant workers China had by 2014" (Tiezzi 2016). This was the latest component of what Chinese Premier Li Keqiang calls an orderly path to increase urban residency for the country, a fundamental element of China's attempted economic shift.

V. Purpose and Outcomes of Reforms

i. State Motivation behind Reforms

Identifying the state's motivation for reforms can provide insight into the intended purpose of the reforms. It seems that the impetus behind changing the discriminatory system has been the state's desire to maintain socioeconomic order and promote developmental goals, as well as to maintain CCP power. Leaders Hu Jintao and Wen Jiabao have indicated that they consider the *hukou* system a liability for political stability (Wang 2005).

The rural *hukou* holders so outnumber the urban *hukou* holders that an uprising in protest of the inequality brought about the *hukou* system could be disastrous for the CCP, though it seems unlikely as long as economic conditions continue to improve across the country. To guarantee that such a protest will not occur though, the state needs to be proactive in addressing the threat posed by the rural *hukou* holders who have migrated to cities. In order to regain control of these migrants, the state needs to extend urban *hukou*'s to those migrants who are benefitting the cities and get rid of those migrants who are merely weighing down the cities' robust public goods and services. Such actions are likely to engender bad feelings towards the state though, which means the state should pass off culpability to another entity if it can do so without diminishing its own ultimate control. So far, the state has passed off the reigns to local governments, which conveniently allows the cities to take the immediate blame for complaints about the *hukou* system. Yet local governments still ultimately answer to the central government, meaning the CCP is still pulling the strings behind the scenes.

In modern China, economic growth has tended to rank first among state priorities. The *hukou* system has allowed China to harness the potential of one of its greatest resources–its labor force. China's ability to move the appropriate workers to the industrial areas in need of their services allowed China to remain the world's factory for decades and benefit economically from exports (Chan and Buckingham 2008). Yet the marketization and privatization of previously government monopolized industries has given migrants a venue through which they can access necessary goods and services without an urban *hukou,* threatening state and local control over movement. If people no longer live at the site of their *hukou* registration, it becomes much more difficult for the government to keep track of them.

Compared to other developed and developing nations, China has had a rather slow urbanization, only amounting to 30% in 2000. This is viewed as a negative consequence of the *hukou* system:

> Slow urbanization perpetuates a stable dual economy featuring a rural majority of the population and a stable, large, ever-increasing rural-urban disparity of income and resource distribution. Officially, the urban and rural incomes were disparate by a factor of about 2.2 in 1964, 2.6 in 1978, 2.7 in 1995, and 2.8 in 2000. Semiofficially, the urban-rural income gap was estimated to stand at a factor of about 4.0 in 1993.25 Including indirect income in the form of state subsidies, the gap stood at a staggering 5.0–6.0 by 2001 (Wang 2005).

As China's economic growth continues to stagnate, China's leaders claim the slowdown is merely growing pains from the country's shift from an industrial to a service and consumer-based economy. Indeed, services represent a burgeoning share of the overall economy (Magnier 2016). Urban households and workers are necessary to fuel this sort of economic model. According to Eswar Prasad:

> "China's leaders have stressed the importance of urbanization as an engine of growth and reform of the *hukou* system is seen as an important element of that process, which should also improve labor mobility more generally (Prasad 2015)".

Urbanization is key to China's pursuit of a more mature economic system. By liberalizing the *hukou* system, the Chinese central government opens the door for migrants to lay roots in the urban areas in which they are needed to meet labor needs, provide essential services, and keep the real estate market booming. In fact, "the government wants 60 percent of almost 1.4 billion to be urban residents by 2020, up from 56.1 percent in 2015". Yet government data indicates that total migrant workers seeking jobs outside of their province dropped by 1.5% (Goh and Jim 2016). Though the growing network of migrants can help new workers to find jobs and housing, migration remains strenuous. To encourage continued or increased migration, China must make it easier for migrants to obtain a *hukou* in their new city of residence, so that they can access local services. Urbanization is essential to China's continued economic growth and *hukou* reform is essential to urbanization.

Though the state's rationale for *hukou* reform seems to be focused on political stability and economic development, that is not to say that *hukou* reforms do not have consequences beyond the scope of their intended purpose. Whether intended or not, it is possible that *hukou* reforms could reduce the inequality of opportunity (discussed in section III) in education and healthcare, as well as closing the chasm between the three classes of citizens. Policies and reforms often have collateral consequences that are beyond the scope of their intended effects. However, my analysis indicates that is not the case with *hukou* reform, as I will explain in the next section.

ii. Impacts of Reforms

Would modifying, or even abolishing, the *hukou* system truly bring about positive changes, such as increasing equality of opportunity? Urban security forces oppose liberalizing the *hukou* system because they worry that an influx of peasant families will produce chaos. There is also the question of whether the majority of rural *hukou* holders even want an urban *hukou*. We should note that some rural residents are hesitant to relinquish their rural *hukou* because agricultural *hukou's* come with ownership over a small plot of farmland. Given the past difficulty of *hongzhuanfei* (transferring from rural to urban hukou), land has tended to remain in families for many generations. No person can hold multiple permanent *hukou's* at a given time, meaning that rural *hukou* holders would have to surrender their rural *hukou* and land in order to obtain an urban *hukou.* Nevertheless, the 270 million migrants in China today evidence that many rural *hukou* holders do wish to seek opportunities in the city (Song 2013). Thus, allowing cities to issue new urban *hukou*'s is good in that it allows people who wish to move to the city to apply under the points-based plans, but does not force those who wish to remain in the land of their ancestors to leave.

Though it gives the appearance of promoting equality, I argue that the eradication of the urban and rural *hukou* distinction in 2014, as recommended by the 1992 State Council Working group, is merely an aesthetic change. It may make administrative tasks easier, as cities no longer have to waste time and resources determining whether a farmer whose land has been overtaken by urban sprawl is now an urban *hukou* holder or a rural *hukou* holder. However, *hukou*'s will remain location-based so the city can still determine whether that farmer is residing in the proper area to receive urban goods and services. They just no longer have to struggle over what to label his *hukou.* Thus, this *hukou* reform renders little substantive change. For this reason, I will

continue to refer to *hukou*'s registered in the city as 'urban' and *hukou*'s registered in the country as 'rural' for the duration of this paper.

In my estimation, the most notable *hukou* reform to date has been the decentralization of *hukou* administration, which has led to the popularization of points-based plans for the issuance of new urban *hukou*'s by cities. Yet even this reform fails to sufficiently address the inequality of opportunity brought about by the *hukou* system for the following reasons.

The individuals who have been most disadvantaged by the *hukou* system are rural *hukou* holders who lack access to quality education and healthcare, and have been relegated to a lower class of citizenship. As a result of the *hukou* system, rural *hukou* holders who desire to change their situation are unable to move to cities in pursuit of a better standard of living, which creates an inequality of opportunity. Unfortunately, the most disadvantaged people are also the least likely to be granted an urban *hukou* under the new points-based plans, as they likely lack the requisite education and wealth to accumulate enough points for admission. Reforms are meant to attract the desired individuals to take part in urbanization but are not meant to encourage just anyone to lay roots in China's metropolises.

Migrant workers without high levels of education and work skills are unlikely to secure an urban *hukou* under most of the new city points program. Should these individuals elect to migrate to a city without an urban *hukou*, they will face the same challenges that migrants have endured for years, as described in section III of this paper. Aside from having access to a few fewer jobs as a result of increased competition from new urban *hukou* holders, little will change for the *hukou*-less migrants. However, even this maybe a non-issue. Sometimes employers prefer

to higher *hukou*-less migrants because employers have more discretion over level of pay and work conditions when workers have little bargaining power.

A select group of migrant workers with high education and work skills will receive new urban *hukou*'s through the city points-based programs. Individuals in this group are likely candidates for the new *hukou'*s because they are the best equipped to meet the education and financial requirements of the points-based plans. Moreover, many of these migrants have been living in the cities for years and may have already begun paying the requisite fees. Because these migrants have been filling many of the service or industrial jobs in cities for years without an urban *hukou*, the issuance of new urban *hukou*'s will have a minimal effect on employment prospects for low skilled urban workers who would otherwise fill the service and industrial positions. However, urbanites may face increased taxes. When the number of urban *hukou* holders in a city rises, the city must either raise taxes or cut the costs of the goods and services that it offers, unless the social insurance that new urban *hukou* recipients must pay offsets this. The impact of reforms on rural *hukou* holders, urban *hukou* holders, migrants with urban *hukou's,* and migrants who retain their rural *hukou* is summarized in the following table.

Table IV: Impacts of Reforms by Group

Group	Impact
Rural *hukou* holders	No substantive change
Migrants able to obtain urban *hukou*	Able to access urban goods and services
Migrant unable to obtain urban *hukou*	No substantive change
Urban *hukou* holder	Fewer low-skill jobs available, may have raised taxes or less access to government-provided goods and services

Another troubling aspect of reforms, in my view, is that the number of new *hukou*'s being issued is inconsequential in comparison to the existing and aspiring migrants who would hope to obtain one. For instance, experts project that Beijing, one of China's largest cities, will issue no more than 10,000 new *hukou*'s each year (Salvacion 2016), though China now has approximately 270 million migrant workers (Song 2013).

Moreover, a limited number of new urban *hukou*'s were already being given out each year in the past. The main difference, post-reform, is that new urban *hukou*'s in the past were granted by the central government based on a quota system and list of circumstances that warranted permission for a rural *hukou* holder to move into a city (i.e. joining the army, becoming a civil servant). Today, new urban *hukou*'s will be issued by city officials and mostly based on points programs. Though the central government has promised to grant 100 million new urban *hukou's* by 2020, many of these *hukou's* are likely to be granted in smaller and less desirable cities for migrants. Compared to the number of existing and aspiring migrants, 100 million new *hukou*'s is not enough.

This means that a considerable percentage of migrants will continue to be *hukou*-less. In regard to education, my analysis indicates that migrants with children will continue to be forced to pay crippling fees to enroll children in urban schools, or else either leave children behind in the countryside to be raised by family members and attend lower quality rural schools. Moreover, private schools established for the children of migrant workers in the cities are not always a reliable option because they continue to face opposition from state and local officials. It is not unusual for the government to shut down the private schools altogether or create physical barriers to operation (i.e. sending thugs, slashing electric wires (Larson 2014). Additionally, the *hukou* reforms do not appear to lessen the competitiveness for rural students taking the National Higher Education Entrance Exam. For this to occur, there would need to be an immense number of new urban *hukou'*s issued in order to make the number of urban students more proportional to the number of rural students.

Similarly, I argue that *hukou* reform has had little impact on the inequalities in access to healthcare for urban and rural *hukou* holders. Recipients of new urban *hukou*'s are the only group for which healthcare conditions change markedly. Reforms to the healthcare system itself hold more promise for change. For instance, the Healthy China 2020 initiative aims to achieve universal healthcare by the year 2020, an important step towards ensuring that both urban and rural *hukou* holders have access to some sort of care (Jarvis 2016). Next, China can reduce inequality by closing the gap between the quality of rural and urban healthcare. This can be accomplished by increasing government subsidies to rural healthcare providers.

The *hukou* reforms also holds little promise to make the rights and duties of the rural, urban and migrant classes of citizens more uniform. Migrant recipients of new urban *hukou*'s will change ranks from the rural class of citizens to the urban class of citizens but limited change

will occur in terms of citizenship otherwise. Rural and urban *hukou* holders will continue to assert their rights in such drastically different environments, due to the difference in the rural and urban public goods regimes, that the disparate classes of citizenship will not be changed.

Nevertheless, the reforms promote the CCP's interest in separating urban citizens from rural citizens, as well as entice the most qualified migrants to remain in the city. Points-based programs help identify those migrants who can contribute most to the success of the city. Passing off control of issuing new *hukou*'s to local government also absolves the central state from blame if people are unhappy with the system.

VI. Concluding Remarks and Suggestions for Further Reforms

China's economic rise has been accompanied by sociopolitical consequences–some intended, others unexpected. This paper has sought to unveil a few of these sociopolitical conditions through the lens of China's household registration system, which has been substantially loosened in recent years. This system continues to impact economic growth and sociopolitical conditions, perhaps more than any other policy in post-socialist China. Maoist programs such as the expansion of literacy and enlargement of public health care might have been impossible to coordinate successfully at a national level if not for the *hukou* system. These pre-reform initiatives have had a favorable effect on post-socialist China in that they built a capable and productive workforce that was essential to fuel China's rapid industrialization and rising capitalist economy. Marketization and social reforms go hand in hand. In the words of Amartya Sen: "What we are looking at here is not so much the social consequences of economic reforms, but the economic consequences of social reforms" (Sen 259). China's continued

economic prowess hinges on its ability to make sensible reforms to the *hukou* system in response to the nation's changing economic needs.

Let us now return to the question that I posed at the start of this paper–is the institutionalized inequality of opportunity brought about by the *hukou* system being sufficiently remedied by recent reforms? After exploring the key features and historical context of the *hukou* system; identifying the inequality of opportunity brought about by the *hukou* system in access to education and healthcare; considering the disparate urban, migrant and rule classes of citizenship; discussing the reforms that have been taking place since the early 2000's and the state motivations behind them; and considering whether or not the reforms thus far ameliorate the institutionalized inequality of opportunity brought about by the *hukou* system; I argue that the *hukou* reforms do not significantly reduce the institutionalized inequality of opportunity brought about by the *hukou* system. They do not go far enough. Not enough new urban *hukou's* are being issued and decentralizing control of the system only passes off culpability. The reforms are effective in promoting the CCP's hold on power in the single party state, but ineffective in reducing inequality of opportunity. Through reforms, the CCP is able to maintain an exclusivity in the cities that ensures productivity and that non-contributing individuals are not weighing on public goods and services. Reforms also allow the CCP to regain control over a certain group of migrants who will be granted urban *hukou*'s and guard against uprising by either urban or rural *hukou* holders.

Though my analysis covers only the inequality of opportunity in education and healthcare, the inequality discussed in these areas is illustrative of inequality of opportunity generally. This is because education and healthcare are some of the most fundamental for

promoting opportunity. For instance, if one were to study the inequality of opportunity in labor markets, I anticipate that the findings would be strikingly similar to my own. That is to say that I suspect that the *hukou* system limits access to quality labor markets in the city for rural *hukou* holders.

Though reforms enacted so far fail to address the inequality of opportunity brought about by the *hukou* system, there are changes that the Chinese government could deliver that would be helpful to those disadvantaged by the system. Though the "bamboo curtain" has not been torn down just yet, there is hope that it can be reformed. One option would be for the central government to require the issuance of enough urban *hukou*'s to at least meet the demonstrated demand of the 270 million migrants. Though more rural *hukou* holders might be enticed to move by the new urban *hukou*'s, it would be sensible to begin by legalizing the existing migrants. New urban *hukou*'s could be issued incrementally and accompanied by increases in taxes or government subsidies so that new urban *hukou* recipients do not overwhelm the social goods and services of the cities, as occurred in Shijiazhuang (see discussion section IV). Points plans could be maintained initially, in order to admit the most qualified migrants first, but standards for admission would eventually have to be lowered. Because so many migrants are already living and working in the city, the government should recognize their right to be there. In addition to reuniting migrant families, this would allow migrants to participate more fully in their urban communities. Granting urban *hukou*'s to a much larger group of migrants, even if not 270 million, would promote urbanization, which is a key part of the state's economic plan. Extending urban *hukou*'s to the numerous migrants would have the added benefit of allowing the state to more easily track who is living in the cities, which would assist the state with security and control efforts. It would also lessen the number of migrants who might return to the countryside,

tell their fellow rural *hukou* holders how much better off urban *hukou* holders have it, and thereby incite a rebellion that could eradicate CCP control.

Lowering the barrier to entry for rural families to obtain urban *hukou*'s is the best way to address the inequality of opportunity discussed throughout this paper, as it allows enterprising rural *hukou* holders to pursue a better education, healthcare, and life for themselves and their families. However, another option would be for the state to make heavy investment in rural goods and services in order to close the gap between urban and rural citizens. Though China has already begun investment in the healthcare industry, it needs to focus funds more fully on rural health care providers. With a better quality of rural education and healthcare, rural citizens would at least be at the same starting line as urban *hukou* holders.

These suggestions indicate that *hukou* reforms to date have failed to address the inequality of opportunity brought about by the system thus far, but that all hope is not lost. Short of abolishing the system entirely, there are sensible changes that can be made that would benefit both the state and the citizens who have been negatively impacted by the *hukou* system. This is, in part, why I have sought to avoid offering a cursory appraisal of the system as good or bad. In its current permutation, the *hukou* system has both good and bad elements. Yet it is always changing and it is my hope that this paper illuminates a few areas of the system that are problematic, demonstrates why current reforms fall short of addressing these problems, and inspires further research and policy proposals regarding possible improvements to the *hukou* system.

Given that the majority of reforms have only been underway since the turn of the century, I suspect that *hukou* reforms are only just beginning. In this paper, I evaluate the reforms that have been initiated prior to 2016, when this project was completed, but further study will be

needed as reforms progress and their consequences take shape. It is my hope that the information that I bring together on the background, features, and impacts of the *hukou* system in this paper will be helpful to future students of the *hukou* system, as they seek to make sense of the ever-evolving system. I feel certain that an understanding of the *hukou* system will be essential to policy discussions regarding China for years to come, given the system's centrality to the nation's economic growth and the CCP's control. Perhaps more importantly, no other policy in China has so profoundly impacted the everyday lives of the Chinese people.

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Appendix

Table V: Provincial Level Reforms

Province/City	Date	Sources	Short Description
Anhui	July 13, 2001	Provincial Government Notice	Directs local governments to grant a local hukou to individuals with (1) a fixed place of residence and (2) a stable source of income. Eliminates agricultural and nonagricultural hukou distinctions. Creates exemptions for citizens who meet professional, administrative, education, or investment requirements.
Beijing	April 14, 1995; June 4, 1997; March 29, 2002 (reportedlyto be eliminated spring 2005)	City Regulations (1, 2, 3)	Directs county-level governments to grant permanent residence status to individuals with either (1) a fixed place of residence or (2) a stable source of income. Mandates that citizens who meet professional, education, or investment requirements may obtain local hukous. Requires all migrant workers to register with the Labor Bureau. Designates the temporary residence permit as the sole legal authorization for temporary workers in Beijing. Mandates that citizens who meet professional, education,

			or investment requirements may obtain temporary residence permits. Specifies new punitive measures for hiring or housing workers lacking a temporary residence permit.
Zhejiang	March 29, 2002	Provincial Government Directive	Directs counties and small cities within Zhejiang to grant local hukous to individuals with (1) a fixed place of residence and (2) a stable source of income. Directs large and mid-sized cities to lower barriers to obtaining local hukous for individuals 1) able to purchase houses or 2) with advanced educational degrees.
Jiangsu	March 28, 2003	News Report Regarding Provincial Government Notice	Directs county-level governments to grant permanent residence status to individuals with either (1) a fixed place of residence or (2) a stable source of income. Mandates that citizens who meet professional, education, or investment requirements may obtain local hukous.
Chongqing	July 29, 2003	Municipal Government Notice	Directs towns and small cities in the greater Chongqing metropolitan area to allow rural hukou holders with (1) a fixed place of residence in small cities and (2) a stable source of income to convert their

			hukous to local ones. Sets restrictions on obtaining a local hukou via the purchase of commercial housing.
Gansu	Sept 30, 2003	Provincial Public Security Notice	Directs local governments to grant local hukous to individuals with (1) a fixed place of residence and (2) a stable source of income. Provides special hukou exemptions for citizens who meet professional, education, or investment requirements. Eliminates agricultural and nonagricultural hukou distinctions.
Hunan	Nov 9, 2003	News Report Regarding Local Regulations	Directs local governments to grant local hukous to individuals with (1) a fixed place of residence or (2) a stable source of income. Eliminates agricultural and nonagricultural hukou distinctions. ;
Hubei	August 13, 2004	News Report	Eliminates agricultural and nonagricultural hukou distinctions.
Shanghai	August 30, 2004	Municipal Government Regulation	Requires temporary residence permits of anyone residing in Shanghai over 3 days. Requires applicants to present evidence of stable employment or educational qualifications to obtain a temporary resident permit. Entitles permit

			holders to 1) the ability to apply for education of one's children, 2) the ability to receive social welfare, 3) the ability to be employed by a government agency.
Shandong	Oct 11, 2004	News Report	Abolishes "migration control centers" independently established by local city governments to collect fees from migrants. Reaffirms authority of local Public Security Bureaus to handle hukou registration

Table VI: Large City Reforms

Province/City	Date	Sources	Short Description
Chengdu	Feb 12, 2004	News Report	Outlines the elimination of agricultural and nonagricultural hukou distinctions by 2007.
Nanjing	June 19, 2004	News Report, Municipal Regulations	Mandates that individuals with (1) a fixed place of residence in small cities and (2) a stable source of income may convert their hukous to local ones. Eliminates agricultural and nonagricultural hukou distinctions.

Shenyang	July 7, 2004	News Story	Eliminates temporary residence permits and all associated fees. Replaces permit system with "automatic" registration system requiring migrants to register with local police by providing information on their place of residence and work. Guarantees rights against physical harassment.
Guangzhou	Sept 21, 2004	News Report on Municipal Regulations	Mandates that small cities and towns within the greater Guangzhou metropolitan area allow rural hukou holders with (1) a fixed place of residence in small cities and (2) a stable source of income to convert their hukous to local ones. Further mandates that rural residents who 1) possess a fixed place of residence within Guangzhou city proper for a minimum of five years, 2) have a stable source of income, and 3) have participated in the city's social security program may obtain a hukou for Guangzhou city proper. Eliminates agricultural and nonagricultural hukou distinctions.
Wuhan	Sept 2, 2004	News Report on Municipal Decision	Eliminates temporary residence permit system. Mandates the establishment of migrant management centers

Table VII: Small City/Town Reforms

Province/City	Date	Sources	Short Description
Jinhua, Zhejiang	August 16, 2001	Public Security Notice	Mandates that individuals, with the exception of rural laborers, with (1) two years of fixed residence in the greater Jinhua metropolitan area and (2) a stable source of income may convert their hukous to local, ones. Mandates longer periods of fixed residence for rural laborers before obtaining local hukous. Mandates that holders of a greater Jinhua metropolitan hukou with a legal permanent residence within the city proper may convert to a city proper hukou. Creates exemptions for citizens who meet professional, administrative, education, or investment requirements.
Hengshui, Hebei	Oct 10, 2003	Local Government Directive	Mandates that individuals with (1) two years of fixed residence in the town and (2) a stable source of income may convert to a local hukou. Creates exemptions for citizens who meet professional or education requirements. Eliminates agricultural and nonagricultural hukou distinctions.
Tongzhou, Jiangsu	July 22, 2004	News Report on Municipal	Directs local governments to grant local hukou to individuals who possess

		Government Reforms	(1) a purchased residence, (2) certain educational levels, or (3) capital funds for investment. Mandates that migrant laborers who (1) serve in a municipal public institution for five years, (2) pay social security taxes, and (3) own a legal residence may obtain a local hukou.
Jining, Shandong	Oct 15, 2004	Municipal Government Notice	Mandates that individuals with (1) two years of fixed residence in the town and (2) a stable source of income may convert to a local hukou. Eliminates agricultural and nonagricultural hukou distinctions.
Ninghua, Fujian	Undated, apparently current	Municipal Web Site	Mandates that individuals with (1) two years of fixed residence in the town and (2) a stable source of income may receive a local hukou. Creates exemptions for citizens who meet professional, administrative, education, or investment requirements.

"Recent Chinese *Hukou* Reforms." *Congressional-Executive Commission on China.* 2004. Web. 10 September 2016.

BIOGRAPHY

In 2012, Courtney May began her studies at The University of Texas at Austin, majoring in Plan II Honors and Government. She studied abroad during the summer of 2014 in Beijing, China at Tsinghua University, participated in the Archer Fellowship Program in Washington, D.C. during the Spring of 2015, and completed the Business Foundations Program. Throughout her undergraduate years, Courtney remained active in Student Government and her sorority, Alpha Delta Pi. She also played violin in the university orchestra, worked as a water skiing instructor at a camp for several summers, studied three different languages, and was selected as a semi-finalist for the Schwarzman Scholarship. In December 2016, Courtney will graduate Phi Beta Kappa and begin her legal studies at Cornell Law School.